

Regular Session, 2003

SENATE BILL NO. 828

BY SENATOR BOISSIERE

GAMING. Authorizes slot machine gaming at eligible live horse racing facility in Orleans Parish.

1 AN ACT

2 To amend and reenact R.S. 27:353(4), 361(C), 363, and 392(B)(3)(b) and to
3 enact R.S. 27:372.1 and 392(B)(3)(d), relative to Pari-mutuel Live
4 Racing Facility Economic Redevelopment and Gaming Control Act; to
5 provide with respect to slot machine gaming at live racing facilities; to
6 authorize slot machine gaming at an eligible facility in Orleans Parish;
7 to provide with respect to the allocation of revenue; to provide for the
8 authority of the Gaming Control Board to approve, execute, and
9 implement an amendment of the casino operating contract and issue or
10 modify regulatory approvals related thereto; to provide limitations on
11 the number of slot machines operated at an eligible facility in Orleans
12 Parish; and to provide for related matters.

13 Notice of intention to introduce this Act has been published.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 27:353(4), 361(C), 363, and 392(B)(3)(b) are hereby

1 amended and reenacted and R.S. 27:372.1 and 392(B)(3)(d) are hereby enacted
2 to read as follows:

3 §353. Definitions

4 When used in this Chapter, the following terms shall have these
5 meanings:

6 * * *

7 (4) "Eligible facility" means no more than one facility in St.
8 Landry Parish, Bossier Parish, **Orleans Parish**, and Calcasieu Parish
9 at which the Louisiana State Racing Commission has licensed the
10 conduct or at which the commission has approved the future licensing
11 of the conduct of not less than eighty days within a consecutive twenty-
12 week period each year of live horse race meetings.

13 * * *

14 §361. Conduct of slot machine gaming; temporary conduct

15 * * *

16 C.**(1)** An application may be approved by the board only after
17 the electorate in the parish in which the eligible facility is located or, is
18 proposed to be located, as provided for in Subsection D of this Section,
19 has approved the conduct of slot machine gaming at such facility at an
20 election, as provided in Part III of this Chapter.

21 **R.S. 27:361(C)(2) is all proposed new law.**

22 (2) In addition to the requirements of Paragraph (1) of this
23 Subsection, an application for an eligible facility in Orleans Parish may
24 be approved by the board only after the Amended and Renegotiated
25 Casino Operating Contract entered into pursuant to R.S. 27:201 et seq.,
26 on October 30, 1998, as amended, effective October 19, 1999, March

29, 2001, and March 31, 2001, has been further amended to provide that the inclusion, licensing, or operation of an eligible facility in Orleans Parish shall not constitute an Exclusivity Violation or prohibited land-based gaming as defined in such contract, as amended, following approval of such amendment by the Joint Legislative Committee on the Budget as required by the provisions of Subsection B of Section 3 of Act No. 1 of the First Extraordinary Session of 2001.

* * *

§363. Suitability standards

* * *

R.S. 27:263(C) is all proposed new law.

C.(1) The applicant must have a good faith plan to recruit, train, and upgrade minorities in all employment classifications.

(2) It shall be required by the owners, to provide the maximum practical opportunities, for participation by the broadest number of minority-owned businesses. Such offering of participation by owners to the disadvantaged business enterprises who qualify under the provision of this Chapter, shall be at a price not to exceed the price paid per share or interest paid by the ownership interests.

(3) The legislature hereby further directs that the written policies, procedures, and regulations shall provide for the inclusion of businesses owned by minorities to the maximum extent practicable.

(4)(a) All businesses or vendors selected by the eligible facility for any purpose shall strictly adhere to the nondiscrimination policies and practices embodied in applicable federal, state, and local law.

(b) Any business, vendor, and/or contractor selected by the

1 eligible facility to operate slot machine gaming contemplated herein
2 shall, as nearly as practicable, employ minorities consistent with the
3 population of the state.

4 * * *

5 §372.1. Limitations on the number of slot machines operated at an
6 eligible facility in Orleans Parish

7 **R.S. 27:372.1 is all proposed new law.**

8 A. Notwithstanding any provision of law to the contrary, a
9 license issued by the board to conduct slot machine gaming at an
10 eligible facility in Orleans Parish shall be subject to the following
11 limitations regarding the number of slot machines which may be
12 operated at the eligible facility:

13 (1) On or after July 1, 2003, the eligible facility shall be
14 authorized to have a maximum of three hundred slot machines at the
15 eligible facility.

16 (2) On or after July 1, 2004, the eligible facility shall be
17 authorized to have a maximum of four hundred slot machines at the
18 eligible facility.

19 (3) On or after July 1, 2005, the eligible facility shall be
20 authorized to have a maximum of five hundred slot machines at the
21 eligible facility.

22 (4) At any time after July 1, 2005, in the event the gross gaming
23 revenues of the casino gaming operator as defined in R.S. 27:205(5)
24 exceed three hundred fifty million dollars for any preceding twelve-
25 month period, the eligible facility shall be authorized to have a
26 maximum of seven hundred slot machines.

1 B. Notwithstanding the provisions of Subsection A of this
2 Section if the Amended and Renegotiated Casino Operating Contract
3 entered into on October 30, 1998, as previously amended effective
4 October 19, 1999, March 29, 2001, and March 31, 2001, is terminated
5 and the state of Louisiana does not become a party to any other casino
6 operating contract as defined in R.S. 27:205(6) which contains
7 exclusivity provisions in accordance with R.S. 27:201 et seq., the
8 eligible facility located in Orleans Parish shall not be limited to a fixed
9 number of slot machines which may be placed in the designated gaming
10 area provided for in R.S. 27:372.

11 C. An eligible facility located in Orleans Parish shall be subject
12 to all licensing requirements and limitations provided by this Chapter
13 in addition to the provisions of this Section.

14 * * *

15 §392. Collection and disposition of fees and taxes

16 * * *

17 B.(1) * * *

18 * * *

19 (3) After complying with the provisions of Paragraphs (1) and
20 (2) of this Subsection, the state treasurer shall, each fiscal year, credit
21 five percent of the state portion of taxable net slot machine proceeds
22 collected from each licensed eligible facility to the following special
23 funds:

24 * * *

25 (b) The St. Landry Parish Excellence Fund in St. Landry Parish
26 which is hereby created in the state treasury. Monies in the St. Landry

1 Parish Excellence Fund, for purposes of this Subparagraph referred to
2 as the "fund", shall be withdrawn only pursuant to appropriation by the
3 legislature and shall be used solely and exclusively by the St. Landry
4 Parish School Board ~~as provided in this Subparagraph~~ **and the**
5 **Louisiana Community and Technical College System for the**
6 **purposes of developing programs, resources, which shall include**
7 **facilities, necessary to establish a vocational-technical high school**
8 **program and curriculum designed to graduate students with**
9 **employable skills.** Monies in the fund shall be invested by the state
10 treasurer in the same manner as monies in the state general fund.
11 Interest earnings on investment of monies in the fund shall be credited
12 to the fund. Unexpended and unencumbered monies in the fund at the
13 end of each fiscal year shall remain in the fund. The principal in the
14 fund may not be appropriated. ~~Interest earnings may be appropriated,~~
15 ~~but only for enhancements to the education program in St. Landry~~
16 ~~Parish.~~

17 * * *

18 **R.S. 27:392(B)(3)(d) is all proposed new law.**

19 (d) The Orleans Parish Excellence Fund in Orleans Parish
20 which is hereby created in the state treasury. Monies in the Orleans
21 Parish Excellence Fund, for purposes of this Subparagraph referred to
22 as the "fund", shall be withdrawn only pursuant to appropriation by the
23 legislature and shall be used solely and exclusively by the Orleans
24 Parish School Board and the Louisiana Community and Technical
25 College System for the purposes of developing programs, resources,
26 which shall include facilities, necessary to establish a vocational-

1 technical high school program and curriculum designed to graduate
2 students with employable skills. Monies in the fund shall be invested
3 by the state treasurer in the same manner as monies in the state general
4 fund. Interest earnings on investment of monies in the fund shall be
5 credited to the fund. Unexpended and unencumbered monies in the
6 fund at the end of each fiscal year shall remain in the fund.

7 * * *

8 Section 2. In addition to the authority provided in R.S. 27:245(A), the
9 board is expressly authorized to approve, execute, and implement an
10 amendment to any of the provisions of the Amended and Renegotiated Casino
11 Operating Contract entered into on October 30, 1998, as previously amended
12 effective October 19, 1999, March 29, 2001, and March 31, 2001, consistent
13 with the provisions of this Act and to issue or modify any regulatory provisions
14 or approvals related thereto, following approval of such amendment by the
15 Joint Legislative Committee on the Budget as required by the provisions of
16 Subsection B of Section 3 of Act No. 1 of the First Extraordinary Session of
17 2001. The exercise of this authority shall not be subject to or limited by the
18 provisions of R.S. 27:25 and 26, or any of the provisions of the Administrative
19 Procedure Act.

The original instrument and the following digest, which
constitutes no part of the legislative instrument, were prepared
by Camille A. Sebastien.

Boissiere (SB 828)

DIGEST

Present law authorizes the conducting of slot machine gaming at eligible horse racing facilities.

Present law defines an "eligible facility" as no more than one facility in St. Landry Parish, Bossier Parish, and Calcasieu Parish at which the Louisiana State Racing Commission has licensed the conduct or at which the commission

has approved the future licensing of the conduct of not less than 80 days within a consecutive 20-week period each year of live horse race meetings.

Proposed law includes a facility in Orleans Parish.

Proposed law provides for nondiscrimination policies.

Present law provides that the state treasurer shall, each fiscal year, credit 5% of the state portion of taxable net slot machine proceeds collected from each licensed eligible facility to the following special funds:

- (1) The Bossier Educational Excellence Fund.
- (2) The St. Landry Parish Excellence Fund.
- (3) The Calcasieu Parish Excellence Fund.

Proposed law retains these provisions of present law and adds the Orleans Parish Excellence Fund.

Proposed law provides for a vocational-technical high school program and curriculum designed to graduate students with employable skills funded by the St. Landry Parish and Orleans Parish Excellence Fund.

Present law provides that an application may be approved by the board only after the electorate in the parish in which the eligible facility is located or, is proposed to be located, has approved the conduct of slot machine gaming at such facility at an election.

Proposed law retains this provision of present law and further provides that an application for an eligible facility in Orleans Parish may be approved by the board only after the Amended and Renegotiated Casino Operating Contract entered into pursuant to R.S. 27:201 et seq., on October 30, 1998, as amended, effective October 19, 1999, March 29, 2001, and March 31, 2001, has been further amended to provide that the inclusion, licensing, or operation of an eligible facility in Orleans Parish shall not constitute an Exclusivity Violation or prohibited land-based gaming as defined in such contract, as amended, following approval of such amendment by the Joint Legislative Committee on the Budget as required by the provisions of Subsection B of Section 3 of Act No. 1 of the 2001 1st Extraordinary Session of the Legislature.

Proposed law further provides that a license issued by the board to conduct slot machine gaming at an eligible facility in Orleans Parish shall be subject to the following limitations regarding the number of slot machines which may be operated at the eligible facility:

- (1) On or after July 1, 2003, the eligible facility shall be authorized to have a maximum of 300 slot machines at the eligible facility.
- (2) On or after July 1, 2004, the eligible facility shall be authorized to have a maximum of 400 slot machines at the eligible facility.

- (3) On or after July 1, 2005, the eligible facility shall be authorized to have a maximum of 500 slot machines at the eligible facility.
- (4) At any time after July 1, 2005, in the event the gross gaming revenues of the casino gaming operator exceed \$350 million for any preceding 12-month period, the eligible facility shall be authorized to have a maximum of 700 slot machines.

Proposed law provides that if the casino operating contract is terminated and the state of Louisiana does not become a party to another casino operating contract which contains exclusivity provisions that the eligible facility shall not be subject to a limitation on the number of slot machines which may be placed in the designated gaming area.

Proposed law provides that the board is expressly authorized to approve, execute, and implement an amendment to any of the provisions of the Amended and Renegotiated Casino Operating Contract entered into on October 30, 1998, as previously amended effective October 19, 1999, March 29, 2001, and March 31, 2001, consistent with the provisions of proposed law and to issue or modify any regulatory provisions or approvals related thereto, following approval of such amendment by the Joint Legislative Committee on the Budget as required by the provisions of Subsection B of Section 3 of Act No. 1 of the 2001 First Extraordinary Session. Excepts authority from R.S. 27:25 and 26 or any provisions of the APA.

(Amends R.S. 27:353(4) and 361(C), 363, and 392(B)(3)(b); adds R.S. 27:372.1 and 392(B)(3)(d))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Judiciary B to the original bill.

- 1. Requires an applicant to have a good faith plan to recruit, teach, and upgrade minorities in all employment classifications and to provide maximum opportunities for participation by the broadest number of minority-owned businesses.
- 2. Further requires that all businesses and vendors selected by an eligible facility adhere to nondiscrimination policies and practices and employ minorities consistent with the population of the state.
- 3. Amends St. Landry Parish Excellence Fund to provide for vocational-technical high school curriculum.